



Total Federal Expenditures

Overall Federal Fiscal Costs before revenue

The approximately \$66.4 billion in federal expenditures attributable to illegal aliens is staggering, and constitutes an increase of 45 percent since 2017. This amounts to roughly \$3,187 per illegal alien, per year.

FAIR believes that every concerned American citizen should be asking our government why, in a time of increasing costs and shrinking resources, it is spending such large amounts of money on individuals who are not authorized to be in the United States. This is an especially important question in view of the fact that the taxes paid by illegal aliens offset very little of the enormous costs stemming from their presence in the country.

Total Overall Federal Expenditures

Federal Educational Expenditures	\$6,602,699,000
Federal Medical Expenditures	\$25,129,361,000
Federal Law Enforcement	\$23,132,475,000
Federal Welfare Programs	\$11,584,567,000
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Total Federal Expenditures	\$66,449,136,000



Federal Tax Payments and Credits

Taxes collected from illegal aliens help offset fiscal outlays and therefore must be included in any examination of the cost of illegal immigration. However, illegal alien advocates frequently cite the alleged large tax payments made by illegal aliens as a justification for their unlawful presence and as a reason itself to grant them amnesty. That argument is nothing more than a red herring. Such claims rarely look at the costs associated with illegal immigration, and instead only focus on the amounts contributed to the economy and paid in taxes.

Most studies grossly overestimate both the taxes actually collected from illegal aliens and, more importantly, the net amount of taxes actually paid by them (i.e., the amount of money collected from illegal aliens and ultimately kept by the federal government). A predominant reason for this is that in recent years, the United States has focused on apprehending and removing almost solely criminal aliens (and since President Biden took office, many criminal aliens are now protected from deportation as well). Because of this, the majority of illegal aliens seeking employment in the United States now live in an environment where they have little fear of deportation even if discovered.

This increasingly comfortable environment has created an environment where most working illegal aliens are both able and willing to not only work in the above ground economy, but even file tax returns. Because the vast majority of illegal aliens hold low-paying jobs, most who file tax returns actually wind up receiving a complete refund of all taxes paid. Many will receive credits in excess of their annual

deductions. As a result, it's often beneficial for illegal aliens to file tax returns with the IRS, knowing that it will not subject them to removal, and will likely result in a monetary profit. Indeed, the IRS has stated in the past that they have no intention of reporting known or suspected illegal aliens who file tax returns.⁹⁰

Government data support this argument. According to the latest information available from the Congressional Budget Office (CBO) from 2019:⁹¹

- The lowest-income households in the United States (the bottom 20 percent) had an average income of about \$20,000 before taxes and transfers and paid an average net federal income tax rate of -11.1 percent.
- The second-lowest 20 percent had an average household income of about \$50,000 before taxes and transfers and paid a net federal income tax rate of -1.7 percent.

In 2017, FAIR estimated that the average household headed by an illegal alien earned approximately \$36,000 per year. Since that time, the overall average household income for the country has increased by approximately 13.2 percent.⁹² Using the same methodology as before and assuming, generously, that the income for illegal aliens has increased at the same rate as the overall average, this cohort now earns approximately \$40,800 annually.

FAIR estimates that there are approximately 6,673,000 households with an illegally present head of household.⁹³ This figure was derived from previous research from FAIR and organizations such as the Heritage Foundation and Pew Research, then applied to our most recent estimate of the illegal alien population.^{94,95}

We therefore estimate that illegal aliens in the United States earn a gross income of approximately \$272,258,400,000 annually. Therefore, despite making up approximately 4.7 percent of the entire U.S. population, illegal aliens only contribute approximately 1.3 percent of the gross personal income earned in the country.⁹⁶

Income Tax

Income Tax Paid

\$4,146,850,000

To determine how many illegal aliens earn an income significant enough to require that they pay more in income taxes than they receive in benefits, several factors must be considered. First: many illegal aliens who are paid in cash and work under the table avoid paying taxes regardless of what their income level happens to be. Second: there is only a small population of visa overstayers and illegal entrants who possess the specialized skills sufficient to earn an income which results in a net tax payment greater

than the amount they receive in benefits. Finally: those illegal aliens who are neither “white collar” nor “highly-skilled” business visa overstayers are unlikely to be paying more in taxes than they receive in benefits. As mentioned before, the first and third cohorts comprise the vast majority of illegal alien households.

However, a small number of illegal aliens may work jobs that earn enough to necessitate a net payment of income tax payments. Many of these workers with high earning potential use fraudulent means to obtain employment. These include using stolen or fake Social Security Numbers (SSNs), overstaying their high-earning occupational visa, or working as “subcontractors,” a loophole which allows employers in many states to avoid verifying their employment eligibility. A small number of illegal aliens who hold work authorization (especially college-educated DACA students and TPS holders) will also fall into this category.

Based on data from the Bureau of Labor Statistics (BLS), the American Community Survey (ACS), and previous FAIR estimates, the aboveground illegal alien labor force participation rate has likely decreased about 1 percent since our last report in 2017.⁹⁷ The main reasons for this decrease are the lingering impacts of the COVID-19 pandemic along with a more generous welfare environment at both the federal and state levels. The unemployment rate among the foreign-born has also increased by approximately 8 percent during this time period. Based on these factors, and adjusted to fit the current illegal alien population, we estimate that approximately 7.9 million illegal aliens are participating in the aboveground economy, with just under 7.5 million currently employed. We also estimate that an additional 2.6 million illegal aliens are participating in the underground economy and are therefore paying no federal taxes at all.⁹⁸ This indicates that illegal aliens have a slightly higher labor force participation rate than the overall foreign-born population (67.8 percent vs 64.7 percent, respectively). This makes sense as a higher proportion of illegal aliens are in single-member households, and the primary driver of illegal immigration to the United States is economic opportunity.

In FAIR’s 2017 report, we estimated that, in addition to visa overstayers who worked higher earning jobs, approximately 3 percent of the overall illegal alien workforce employed in the open economy falls within an income bracket that requires them to pay more in taxes than they receive in benefits.⁹⁹ Based on currently available data, we believe this proportion has stayed constant.¹⁰⁰ This means that approximately 414,685 illegal aliens currently fall into this category.

In order to determine the average income of those illegal aliens who pay more in taxes than they receive in credits, we assume that they earn, on average, a wage similar to that of a foreign-born worker with at least a bachelor’s degree. In 2020, that income was approximately \$71,000 for individuals (\$82,000 when adjusted for inflation).¹⁰¹ Assuming standard deductions, this makes the taxable total approximately \$69,050,¹⁰² and places the alien in the 22 percent tax bracket.¹⁰³ This means the average federal income

tax paid is approximately \$10,000 per individual (Social Security and Medicare taxes are calculated later in this section). This means that illegal aliens who pay more in income taxes than they receive in benefits are contributing approximately \$4,146,850,000.

Additional Child Tax Credit

\$5,400,000,000

Although it seems counterintuitive, large numbers of illegal aliens file tax returns. Many wish to establish a record of complying with tax laws in case a new amnesty is enacted (full payment of taxes owed was a requirement under the 1986 amnesty, and it is often listed as a requirement in recent amnesty proposals). Others want to take advantage of various benefits and credits that are available to them. One benefit is the Additional Child Tax Credit (ACTC), which is an annual lump sum paid by the U.S. Treasury to low-income filers with citizen children even if their parent does not have a SSN and has no tax liability. As the IRS explains on its website, “It [the ACTC] is a refundable credit, which means taxpayers may receive refunds even when they do not owe any tax.”⁷⁵ However, to receive the funds a tax return must be filed.

Most illegal aliens who are not using a stolen or fraudulent SSN file their tax return using an Individual Tax Identification Number (ITIN). An ITIN allows individuals who don’t qualify for a SSN to file income tax returns. The vast majority of ITIN recipients are illegal aliens according to the federal government. However, in some instances, lawfully permitted migrants who are not eligible for Social Security Numbers, or lawfully permitted migrants who are working without authorization, may apply for ITINs as well. According to the U.S. Treasury Department, there were 5.4 million active ITINs in 2021.

Per the Treasury Inspector General for Tax Administration (TIGTA), the U.S. Department of Treasury paid \$4.2 billion to 2.18 million illegal alien claimants using ITINs in 2010.¹⁰⁴ The TIGTA report

noted a very strong correlation between tax returns filed using an ITIN and the claim for the ACTC, i.e., 93 percent of all such cases. In addition, the report noted allegations that some filers for the credit were identifying children who did not have SSNs because those children lived abroad. However, the report still offers strong evidence that at least 90 percent of ITIN filers for tax credits are illegal aliens.

As part of President Biden’s \$1.9 trillion



stimulus package, the ACTC increased to \$3,600 for children under six, and \$3,000 for children between six and 18.¹⁰⁵ Additionally, the income threshold was raised to \$150,000 for families, and \$75,000 for single filers. The U.S.-born children of illegal aliens who have SSNs are allowed to take part in this benefit so long as one of their parents have an ITIN or SSN. FAIR estimates that there are nearly 2.7 million households with at least one illegal head and one child and 5.4 million active ITIN filers, nearly all of whom are believed to be illegal aliens. Furthermore, there are more than 5.3 million U.S.-born children of illegal aliens who hold SSNs.

FAIR estimates that less than 5 percent of illegal alien households make above the threshold which would disqualify them for this credit (see the federal income tax section of this report). However, we also estimate that approximately 25 percent of the illegal alien workforce participates in the underground economy, therefore paying no taxes and receiving no credits. While it's most likely that the majority of underground economy workers are single-person households without U.S.-born children, we will assume the ratio is even due to a lack of hard data. This means that illegal alien households received approximately \$13.4 billion in child tax credits in 2022 for the 2021 tax year.¹⁰⁶

However, ACTC totals reverted back to the previously set amounts for the 2022 tax year since Congress declined to extend the increased limits. So, while we estimated that illegal aliens received \$13.4 billion for the 2021 tax season, we estimate that this amount will decrease dramatically to somewhere in the area of \$5.4 billion going forward, based on the current limits set by the IRS and other restrictions.¹⁰⁷

This is the total that we use since it better represents what the amount will be in future years, barring a reinstatement of the COVID-era expansion. However, it is important to highlight the fact that illegal aliens received approximately \$8 billion in tax credits under the Biden Administration's stimulus package for tax year 2021.

Earned Income Tax Credit

\$2,987,987,000

The Earned Income Tax Credit (EITC) is a refundable tax credit available to low and moderate-income individuals who are employed. The amount paid depends on a recipient's income, marital status, and number of children. The credit increases with each additional dollar earned, until a maximum credit amount is reached. In tax year 2022, these limits ranged from \$560 to \$6,935.¹⁰⁸ The average EITC benefit in 2013 was \$2,411.¹⁰⁹

According to the IRS, a family with less than \$53,865 in earnings and two dependents would have zero tax liability and qualify for an EITC of \$5,980. Instead of paying a tax on income, that worker would receive a net profit courtesy of the American taxpayer. Based on an annual household income of approximately \$40,600 and an average household size just over three, most illegal alien households would qualify for a credit of approximately \$4,025. This is assuming, however, they were eligible for the program.

Theoretically, most illegal aliens are barred from participating in the EITC program. However, there is no provision in the relevant statutes specifically barring individuals who are unlawfully present from collecting an EITC; rather, anyone filing for an EITC is required to have a valid SSN and must be considered a “resident alien” for taxation purposes. This requirement blocks those who cannot obtain a SSN from collecting an EITC. The program is also closed to ITIN holders.¹¹⁰ However, there are certain classes of illegal aliens who are eligible for SSNs, such as parolees, TPS holders, and DACA recipients. Once these illegal aliens meet the criteria for being a “resident alien,” they may apply for and receive the EITC.¹¹¹

However, there are several major designations (along with a collection of smaller categories) that illegal aliens can obtain which would provide them a Social Security Number and work authorization within the United States. Below is a list of those categories and how many illegal aliens FAIR estimates to hold those designations:

- DACA: 594,000
- TPS: 450,000
- Qualified asylum applicants: 508,000
- Stolen identifications and fraudulent SSNs: 977,000
- Other designations offering SSNs: (at least) 440,000^{112,113}
- Total: 2,969,000

Based on FAIR’s estimates regarding household size, income, and employment participation rates, we assume that approximately 25 percent of this population will be tax filers receiving the EITC at the average credit of \$4,025. This means that illegal aliens receive just under \$3 billion in these tax credits.

Net Income Tax Payment and Credit Receipt

\$4,241,137,000

Therefore, although illegal aliens do technically pay billions in income taxes every year, they ultimately receive a far greater amount in tax credits. As our estimate details, because illegal aliens pay about \$4.1 billion in income tax and receive tax credits of \$5.4 billion (ACTC) and \$3.0 billion (EITC), the U.S. Treasury suffers a net loss of \$4.2 billion annually.

Other Taxes

Social Security and Medicare Taxes

\$19,527,768,000

Illegal aliens who work in the open economy will normally have Social Security and Medicare taxes withheld, with a matching amount paid by the employer. The standard withholding amount for workers and employers is 6.2 percent each (12.4 percent total) for Social Security and 1.45 percent (2.9 percent total) for Medicare.

A 2010 Social Security Administration (SSA) actuarial note on the impact illegal aliens have on the Social Security Trust Fund estimated that illegal aliens pay a total of \$13 billion into the Social Security trust fund annually.¹¹⁴ The report also stated that illegal alien retirees, even though nearly all are technically excluded from retirement benefits even if they hold a SSN,¹¹⁵ managed to receive approximately \$1 billion payouts every year. This makes the total net payment into the fund by illegal aliens approximately \$12 billion annually. At the time, the report indicated that the primary way in which illegal aliens obtained Social Security benefits was by using stolen/fraudulent Social Security Numbers, or through a small number of those receiving deportation deferment. Since then, with the implementation of DACA and the expanded utilization of TPS, parole and other programs that grant work authorization to illegal aliens, a much higher number are now contributing to the program.

Based on FAIR's estimate of the total earnings contributed by illegal aliens to the aboveground economy, total contributions by illegal aliens has likely increased to approximately \$16.9 billion.¹¹⁶ This figure falls closely in line with the 2010 SSA estimate when adjusted for the increase in the illegal alien population and their associated incomes since that time.

Because nearly all who pay into the Social Security Trust Fund will also pay into Medicare, and since the rate is similarly fixed, we extrapolate from our Social Security analysis to determine how much illegal aliens pay into Medicare. The Medicare deduction rate is 1.45 percent for both employees and employers, which is 23.4 percent of the Social Security deduction rate. Therefore, the total amount paid into Medicare by illegal aliens is 23.4 percent of the Social Security rate. This comes out to approximately \$3.9 billion.

Adding these figures together, we estimate that illegal aliens make approximately \$20.8 billion in Social Security and Medicare tax contributions annually. These estimates again are conservative, as we operate on the assumption that virtually all illegal aliens working in the open economy are paying social security taxes.

According to data contained within the 2010 SSA actuarial note, illegal aliens recoup approximately 7.7 percent of what they pay into the Social Security program, which means that they are likely receiving

around approximately \$1.3 billion in improper payments each year. This makes the net total paid in Social Security and Medicaid approximately \$19.5 billion.

Excise taxes

\$932,864,000

The federal government also receives revenue in the form of excise taxes on the sale of consumer goods such as fuel, tobacco, alcohol and airline tickets. Here, we include a rough estimate of receipts by the federal government from fuel, tobacco, and alcohol purchases. We do not include an estimate of excise revenue generated by illegal alien purchases of airline tickets based on the reasonable presumption that most illegal aliens engage only in very limited commercial airline travel.¹¹⁷

Fuel Taxes

The United States consumed approximately 135 billion gallons of motor gasoline in 2021, which averages out to about 592 gallons per licensed driver.¹¹⁸ We assume that the illegal alien rate of gasoline consumption is slightly lower than it is for the lawful migrant and U.S. citizen population. This presumption is based on the fact that many states do not permit illegal aliens to obtain driver's licenses. In addition, many illegal aliens fall into an income bracket which limits the ability to purchase, maintain, insure, and operate a motor vehicle at the same rate as the general public. Moreover, it is safe to assume that those illegal aliens that do drive, minimize the amount that they drive due to their unlawful status and lower average income.

It is important to note that all 50 states now allow DACA recipients, TPS holders, and several other categories of illegal aliens with deferred deportation to obtain drivers licenses.¹¹⁹ Moreover, a growing number of states are making licenses available to all illegal aliens.¹²⁰ Because of this, we assume that a greater percentage of illegal aliens are driving now than when this report was last published.

Based on these assumptions, we estimate that approximately 65 percent of adult illegal aliens drive on a regular basis,¹²¹ compared to more than 80 percent of American adults overall.¹²² This means that approximately 9 million illegal aliens drive in the United States. Furthermore, we assume that they consume, on average, approximately 70 percent as much fuel as the overall average driver, or around 414 gallons each year. With the current federal fuel tax at 18.4 cents per gallon, that means illegal aliens pay approximately \$686 million in federal fuel taxes annually.¹²³

Alcohol Taxes

We presume that illegal aliens, in general, will prefer beer or wine because it is less expensive than liquor and can generally be purchased in grocery and convenience stores. Furthermore, all individuals in the United States consume beer at a much higher rate than other alcoholic beverages. The general excise tax on beer was reduced from \$18 per barrel (31 gallons) for beer to \$16 per barrel in 2020.¹²⁴

Studies indicate that alcohol consumption varies widely among immigrant groups, but that immigrants overall tend to drink less than native-born Americans.¹²⁵ However, the vast majority of illegal aliens are Hispanic, a demographic that consumes alcohol at a rate higher than the average American.¹²⁶ Because of the offsetting variances in terms of income, nativity, and race, we simply assume that illegal aliens likely consume alcohol at a rate relatively close to the rest of the country. This amounts to approximately \$136 million in excise revenue generated by illegal alien alcohol purchases¹²⁷

Tobacco Taxes

Studies of smokers have found an incidence of smokers among the foreign-born population to be about one-third lower than the native-born population.¹²⁸ Based on this data, it can be assumed that approximately 10.5 percent of illegal alien adults are smokers. The average smoker consumes approximately 75 packs of cigarettes per year.¹²⁹ The current federal excise tax on cigarettes is \$1.01 per pack,¹³⁰ which means that illegal aliens are likely to pay approximately \$111.5 million per year.

The cumulative total federal excise tax revenue from the illegal alien population for fuel, alcohol, and cigarettes, therefore, totals approximately \$932,864,000 annually.

Net Federal Impact of Illegal Aliens

Federal Receipts from Illegal Aliens

Income Taxes	\$4,146,850,000
Social Security and Medicare Taxes	\$19,527,768,000
Excise taxes	\$932,864,000
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Total Receipts	\$24,607,482,000

Credits Given to Illegal Aliens

ACTC	\$5,400,000,000
EITC	\$2,987,987,000
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Total Credits	\$8,387,987,000

Net Federal Receipts from Illegal Aliens

Total Receipts	\$24,607,482,000
Total Credits	\$8,387,987,000
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Net Federal Receipts from Illegal Aliens	\$16,219,495,000

Net Federal Impact of Illegal Aliens

Total Federal Outlays	\$66,449,136,000
Net Federal Receipts	\$16,219,495,000
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Net Federal Fiscal Impact	\$50,229,641,000

State by State Costs of Illegal Immigration

State	# of Illegal Aliens	# of Illegal Aliens & their Kids	Adjusted COLI	Cost Per Alien to State Taxpayers	Cost Of Illegal Aliens To State Taxpayers	Cost of Illegal Aliens & their Kids to State Taxpayers
California	3,226,000	4,373,000	1.230	\$ 7,074	\$ 22,821,903,942	\$ 30,936,201,468
Texas	2,226,000	2,992,000	0.836	\$ 4,466	\$ 9,942,111,305	\$ 13,363,340,982
Florida	1,185,000	1,595,000	0.928	\$ 5,040	\$ 5,972,788,206	\$ 8,039,322,522
New York	1,081,000	1,453,000	1.212	\$ 6,846	\$ 7,400,654,942	\$ 9,947,411,314
New Jersey	697,000	937,000	1.120	\$ 5,625	\$ 3,920,584,853	\$ 5,270,571,029
Illinois	628,000	845,000	0.898	\$ 4,636	\$ 2,911,654,025	\$ 3,917,751,037
Georgia	514,000	692,000	0.832	\$ 4,386	\$ 2,254,644,675	\$ 3,035,436,022
North Carolina	488,000	657,000	0.874	\$ 4,781	\$ 2,333,226,108	\$ 3,141,249,083
Arizona	453,000	610,000	0.893	\$ 5,230	\$ 2,369,284,949	\$ 3,190,427,856
Virginia	419,000	563,000	0.940	\$ 5,038	\$ 2,110,828,714	\$ 2,836,268,654
Maryland	350,000	471,000	1.194	\$ 6,123	\$ 2,143,152,396	\$ 2,884,070,796
Washington	346,000	466,000	0.981	\$ 5,630	\$ 1,947,937,290	\$ 2,623,522,477
Nevada	293,000	395,000	0.939	\$ 5,028	\$ 1,473,177,349	\$ 1,986,024,071
Massachusetts	292,000	393,000	1.196	\$ 7,396	\$ 2,159,721,305	\$ 2,906,748,195
Colorado	278,000	374,000	1.016	\$ 5,191	\$ 1,443,024,697	\$ 1,941,335,384
Pennsylvania	251,000	338,000	0.944	\$ 4,845	\$ 1,216,181,625	\$ 1,637,726,651
Michigan	185,000	248,000	0.827	\$ 4,525	\$ 837,055,573	\$ 1,122,106,931
Oregon	181,000	243,000	1.177	\$ 6,030	\$ 1,091,347,377	\$ 1,465,179,075
Connecticut	167,000	225,000	1.194	\$ 5,694	\$ 950,901,447	\$ 1,281,154,644
Tennessee	162,000	218,000	0.829	\$ 4,456	\$ 721,798,530	\$ 971,309,133
Indiana	154,000	207,000	0.838	\$ 4,451	\$ 685,394,297	\$ 921,276,750
Minnesota	140,000	187,000	0.922	\$ 4,692	\$ 656,934,062	\$ 877,476,212
Utah	137,000	185,000	0.874	\$ 5,033	\$ 689,499,518	\$ 931,075,992
Oklahoma	136,000	183,000	0.824	\$ 4,278	\$ 581,796,674	\$ 782,858,760
Ohio	132,000	178,000	0.857	\$ 4,411	\$ 582,270,353	\$ 785,182,749
New Mexico	119,000	160,000	0.889	\$ 4,628	\$ 550,760,808	\$ 740,518,733
South Carolina	117,000	157,000	0.929	\$ 4,752	\$ 555,936,741	\$ 746,000,585
Wisconsin	111,000	150,000	0.891	\$ 4,633	\$ 514,282,563	\$ 694,976,436
Kansas	104,000	140,000	0.842	\$ 4,308	\$ 447,982,255	\$ 603,053,035
Arkansas	97,000	131,000	0.813	\$ 4,475	\$ 434,102,463	\$ 586,262,089
Louisiana	97,000	131,000	0.867	\$ 4,613	\$ 447,503,641	\$ 604,360,588
Alabama	91,000	122,000	0.838	\$ 4,298	\$ 391,086,456	\$ 524,313,710
Missouri	77,000	104,000	0.833	\$ 4,446	\$ 342,317,218	\$ 462,350,529
Kentucky	69,000	94,000	0.875	\$ 4,579	\$ 315,944,133	\$ 430,416,645
Hawaii	63,000	84,000	1.735	\$ 9,178	\$ 578,184,869	\$ 770,913,158
Idaho	62,000	83,000	0.839	\$ 4,880	\$ 302,552,823	\$ 405,030,392
Nebraska	56,000	75,000	0.868	\$ 4,495	\$ 251,721,107	\$ 337,126,482
Iowa	55,000	74,000	0.853	\$ 4,352	\$ 239,356,102	\$ 322,042,755
Rhode Island	42,000	57,000	1.139	\$ 5,487	\$ 230,445,009	\$ 312,746,797
Washington DC	38,000	51,000	1.417	\$ 7,569	\$ 287,622,055	\$ 386,019,073
Delaware	35,000	47,000	0.948	\$ 5,201	\$ 182,021,162	\$ 244,428,418
Mississippi	34,000	45,000	0.786	\$ 4,169	\$ 141,758,417	\$ 187,621,434
Alaska	15,000	21,000	1.216	\$ 6,192	\$ 92,885,562	\$ 130,039,073
New Hampshire	14,000	19,000	1.091	\$ 5,659	\$ 79,232,741	\$ 107,530,149
Maine	12,000	16,000	1.063	\$ 5,650	\$ 31,807,322	\$ 42,496,390
Vermont	10,000	13,000	1.116	\$ 5,743	\$ 32,335,129	\$ 43,201,571
South Dakota	9,000	12,000	0.926	\$ 4,742	\$ 26,695,927	\$ 35,667,276
Wyoming	8,000	10,000	0.876	\$ 4,520	\$ 25,445,858	\$ 33,997,112
Montana	8,000	10,000	0.906	\$ 5,196	\$ 29,251,625	\$ 39,081,833
North Dakota	6,000	9,000	0.918	\$ 4,806	\$ 27,057,058	\$ 36,149,768
West Virginia	6,000	9,000	0.881	\$ 4,431	\$ 24,945,830	\$ 33,329,047
App. 15,516,000		App. 20,852,000			\$85,801,109,086	\$ 115,654,701,582

*totals may vary slightly from elsewhere in this report due to rounding.

Estimated Total State Taxes Collected from Illegal Aliens: \$15,172,140,000

Total Net Cost of Illegal Immigration on States and Localities: \$100,482,561,582

Part II: State and Local Expenditures and Receipts



State Education Costs

Education

Public School Expenditures

\$70,401,000,000

FAIR recently completed a comprehensive analysis of K-12 education costs associated with mass immigration into the United States entitled: *The Elephant in the Classroom: Mass Immigration Imposing Colossal Cost and Challenges on Public Education*.¹³¹ This report also provided an estimate of the education costs associated with illegal immigration.

A significant number of the students in the United States are the children of illegal aliens. As of the 2021-2022 school year, FAIR estimates that 5.1 million public school students – roughly 6.5 percent of total U.S. enrollment – are the children of illegal aliens or are illegal aliens themselves.¹³²

Most of the children from illegal alien households are designated as having Limited English Proficiency (LEP). It is estimated that only 7 percent of illegal alien households speak English as their primary language at home. Furthermore, only 25 percent of all illegal aliens can speak English at a proficient level.¹³³ LEP students cost roughly 15 percent more to educate than non-LEP students.¹³⁴

Based on the same methodology from our comprehensive K-12 Education report, updated to account for the current illegal alien population, at least 3.8 million children of illegal aliens qualify as LEP,

costing taxpayers approximately \$58.8 billion. Additionally, the education of non-LEP children of illegal aliens costs taxpayers approximately \$16.9 billion, meaning it costs U.S. taxpayers approximately \$75.7 billion to educate the children of illegal aliens.

The vast majority of this cost falls to the states via an unfunded mandate handed down from the U.S. Supreme Court in its ruling in *Plyler v. Doe*.¹³⁵ In fact, 98.9 percent of all LEP costs, and 92.1 percent of overall education funding, are borne by state and local governments.¹³⁶ Applying both of these totals to the aforementioned totals indicate that states shell out approximately \$70.4 billion to pay for K-12 education costs associated with illegal immigration.

Post-Secondary Tuition Assistance

\$2,789,760,000

Title IV of the Higher Education Act precludes illegal aliens from receiving federal tuition grants, loans, or work assistance under the act, and requires recipients to be citizens, permanent residents, or be eligible for permanent residency.¹³⁷ In addition, a provision in the Illegal Alien Reform and Immigrant Responsibility Act of 1996 (IIRIRA) prevents states and their subdivisions from offering postsecondary education benefits, like in-state tuition, to illegal aliens on the basis of state residence if U.S. citizens residing in other states are not offered the same benefit.¹³⁸ However, largely in response to the efforts of illegal alien advocacy groups, eleven states began offering in-state tuition to illegal aliens by 2010 by arguing that illegals were charged in-state tuition on the basis of local high-school attendance and graduation rather than their state of residence. Three of those states offered scholarship assistance to students who are unlawfully present.

In the years since then, that number has increased significantly. According to the National Conference of State Legislators¹³⁹ and research into state legislation, there are now 24 states and the District of Columbia that fully allow illegal aliens to receive in-state tuition at their public universities. This means that significantly more illegal aliens are eligible for grants, state-funded scholarships and subsidized loans, driving up higher education costs for states. Several other states permit illegal aliens to receive in-state tuition only in portions of their university system or restrict in-state tuition to illegals with DACA status.

It is often the case in states with no legislation on the matter that access to in-state tuition is granted under a “don’t-ask-don’t-tell” policy, with university administrations simply declining to solicit any information on a student’s immigration status. In states that do not offer in-state tuition to illegal aliens, it is also likely that many unlawfully present students still receive in-state tuition rates because few states verify the immigration status of enrollees by using the Systematic Alien Verification for Entitlements (SAVE) database.

Several of the states that allow illegal aliens to pay in-state tuition have also extended state-funded financial aid to illegal aliens to counterbalance the ban on federal funding. Of the six most populous

states, California, Texas, New York, and Illinois allow in-state tuition and state funding for illegal alien college students. These states spend nearly \$100 million annually supporting illegal alien students with taxpayer funds, and many university administrators in California even bemoan the fact that illegal students aren't using all the aid the government provides.¹⁴⁰

An increasingly hospitable political climate and the continuation of DACA have led to the steep growth in the numbers of illegal aliens receiving post-secondary education in the United States. Community college systems are significant, but under-referenced, contributors to this growth, as the vast majority (60%) of illegal alien post-secondary students attend community colleges rather than four-year universities. Community colleges, like four-year universities, charge out-of-state tuition rates and allow students to receive state education aid, representing significant costs to the taxpayer when illegal aliens are allowed to access benefits that Americans from other states cannot.

Enrollment data for illegal aliens in public post-secondary schools is sparse, especially in states that do not explicitly bar or permit illegal aliens to receive benefits. To estimate the cost to taxpayers of granting in-state tuition to illegal aliens, FAIR first must estimate how many illegal aliens are enrolled in post-secondary education. By extrapolating from known enrollment values for illegal alien students in certain states, as well as government data on the makeup of the illegal alien population and their choices in higher education, FAIR can determine the size of the illegal alien post-secondary population and their distribution among states. This population, as well as the costs associated with it, has increased significantly since FAIR's last cost study. FAIR then estimates the cost of enrollment and aid based on population, state-level costs, and the proportions of students attending different categories of university.

Significant costs come from both the difference between in-state and out-of-state tuition and from financial aid given to illegal alien students where allowed. Because of their low average family incomes, illegal aliens receive less state financial aid than citizen or visa-holder students. Illegal aliens account for the majority of students who do not hold DACA status but are still permitted to pay in-state tuition in many states. We can see the significant increases in financial aid offered to illegal alien students in states like New York and Illinois since the last version of this study. However, these costs are still likely to be an understatement. In states that do not permit in-state tuition or financial aid to illegal alien students, fraud, document theft or misuse, or simple "don't ask, don't tell" policies certainly allow at least some illegal aliens to obtain in-state benefits in those states.

The states that bear the greatest fiscal impact from their in-state tuition benefit to illegal aliens are California (\$816M), Texas



(\$459M), Florida (\$228M), New York (\$226M), and Illinois (\$134M). These states, 5 of the 6 most populous, account for two-thirds of the total cost of approximately \$2.789 billion that illegal aliens cost in in-state tuition and financial aid. All of these states have large populations of illegal aliens, and in all but Florida, state laws actively permit illegal aliens to take advantage of the financial aid the state offers on the basis of need.

Total State Educational Expenditures

K-12 Public School	\$70,401,000,000
Post-Secondary Tuition Losses/Financial Aid	\$2,879,760,000
<hr/>	
Total Educational Expenditures	\$73,280,760,000



State Medical Costs

State Medical Costs

Illegal aliens access taxpayer-supported medical assistance at the state level in several ways. First, the Emergency Medical Treatment and Labor Act (EMTALA) of 1986 requires that public hospitals provide emergency medical assistance regardless of the patient's ability to pay. Thus, low-income individuals lacking health insurance, including illegal aliens, often rely on hospital emergency rooms as a source of free or low-cost healthcare. This abuse of EMTALA leads to significant hospital operating costs, because EMTALA does not reimburse hospitals for these services.

EMTALA also requires that hospitals provide care for indigent mothers who give birth in emergency rooms regardless of their ability to pay, so many illegal aliens rely on emergency care facilities for child delivery as well. EMTALA even covers delivery costs for mothers who deliberately cross the border specifically for the purpose of accessing U.S. hospitals, adding further to the expenses imposed on healthcare providers. Tens of thousands of women come to the United States with the express intent of giving birth every year, including thousands of illegal aliens.¹⁴¹ In addition to taking advantage of better healthcare facilities, migrants engage in this “birth tourism” primarily to ensure that their child is born a U.S. citizen.¹⁴²

While hospitals near the border bear the brunt of this financial burden, states far from the Southwest

Border are feeling the strain as well. New York City provides a powerful illustration of the fiscal costs imposed on local taxpayers by furnishing free healthcare to illegal aliens:

“At an April [2016] press conference, Dr. Ram Ramu, [a New York City health official], said that caring for [illegal aliens] consumes about one-third of his \$7.6 billion annual budget. Rounding down, that means that \$2.5 billion — of which the city is picking up an increasingly large chunk every year, as state and federal aid dries up — goes toward providing health care to illegal aliens in New York.”¹⁴³

Although it’s unlawful to utilize federal funds to provide non-emergency healthcare for most illegal aliens, some states and local governments use their own funds to offer coverage to illegal alien children. For example, the “Healthy Kids” program in San Francisco covers uninsured children under the age of 19, including illegal alien children. Similarly, the “All Kids” program in Illinois covers all children under the age of 19 whose families meet program income requirements, regardless of immigration status.¹⁴⁴

Additionally, a number of states are expanding other statewide health benefits to illegal aliens. For example, California has expanded Medi-Cal to cover many illegal aliens. Washington State is slated to start offering coverage to illegal aliens in 2023.¹⁴⁵ The costs of these programs are covered later in this section.

Medicaid births \$937,863,000

States pay a matching share for all Medicaid births, as mentioned in the federal portion of this cost study. For most Medicaid expenses, this comes out to nearly 63 percent of the total cost of this program.¹⁴⁶ After subtracting costs covered by health insurance, for those illegal aliens who have it, the total reported cost of Medicaid birth for illegal aliens comes out to \$2.53 billion, with \$1.6 billion covered by the federal government. This leaves the states with a burden of \$937,863,000. (See the federal portion of this report for further details on this issue.)

Uncompensated Medical Expenses \$4,501,175,000

As noted earlier, unpaid medical expenses incurred by uninsured illegal aliens typically fall to the states. Most of these come from unpaid visits to emergency rooms. The Kaiser Family Foundation estimated that, in 2017, states paid for \$11.9 billion in total uninsured medical costs, which comes out to approximately \$14.45 billion in 2022 dollars.¹⁴⁷

Only about 47 percent of illegal aliens have health insurance, leaving about 8.2 million illegal aliens uninsured.¹⁴⁸ Many of those who do have health insurance do not have comprehensive plans, leaving them uncovered for certain ailments. In the first quarter of 2022, according to DHHS, there were about 26.4 million uninsured people in America.¹⁴⁹ Since the implementation of the ACA, illegal aliens constitute a growing share - now approximately 31 percent - of the overall uninsured population. That

indicates a total state-level expenditure of approximately \$4.5 billion for uncompensated medical expenses incurred by those illegally present.

Improper Medicaid Payments **\$4,696,983,000**

As described in the federal expenditures section, there is significant evidence of fraudulent use of Medicaid by illegal aliens. When we calculate the shared costs between states and the federal government, the amount paid by states is approximately \$4.7 billion.¹⁵⁰ (See the federal portion of this report for further commentary on this issue and an explanation of our methodology.)

Medicaid for U.S.-born Children of Illegal Aliens **\$3,162,623,000**

Sixty-three percent of the Medicaid costs for U.S.-born children of illegal aliens are shouldered by the federal government. That amounts to approximately \$5.4 billion of the total \$8.5 billion cost, leaving the states with a cost of \$3.16 billion.¹⁵¹ (See the federal portion of this report for further commentary on this issue and an explanation of our methodology.)

Medi-Cal Expansion **\$4,802,094,000**

Beginning in May 2022, California expanded access to Medi-Cal, the state's Medicaid program, to all illegal alien adults over 50. As of the end of reporting year 2022, this policy provides free state-funded medical care to more than 304,000 illegal aliens.¹⁵² This drastic change follows a significant expansion enacted in 2020 that provided full Medi-Cal coverage to illegal aliens aged 19-25, which added state-funded coverage for at least another 116,000 illegal aliens.¹⁵³ Because another (at least) 142,000 income-eligible illegal alien children under 18 were already included in the Medi-Cal system,¹⁵⁴ California effectively provides healthcare to all illegal aliens under 26 or over 49.

This additional coverage represents a significant burden on the state's finances, reflecting especially high demands that older illegal aliens place on the healthcare system.¹⁵⁵ After accounting for average Medi-Cal expenditures and estimates of the proportion of California's population with a disability,¹⁵⁶ the total spending on the expansion for illegal aliens over 50 in California accounts for nearly \$3.7 billion. The previous expansion of Medi-Cal to illegal alien adults aged 19-25 added around \$750 million, while existing Medi-Cal spending on illegal immigrant minors totals around \$360 million.

It must be noted that the government of California, led by Governor Gavin Newsom, has proposed an expansion of Medi-Cal coverage to all income-eligible illegal aliens beginning after January 1, 2024. The government of California itself estimates that this expansion would cost approximately \$819 million to enact, and reach a full annual expenditure of \$2.7 billion in the future.¹⁵⁷ If enacted, this total would be in addition to the current costs. Because federal aid matching funds cannot be spent on programs that only benefit illegal aliens, California taxpayers are footing this entire bill, and will be on the hook for all future expansions of the program.

Other State Programs

\$526,098,000

Like California, other states have expanded various health insurance coverage to illegal aliens to varying degrees. Generally, this coverage is restricted to children or pre- and postpartum women. However, Illinois has taken after California in progressively expanding state-funded coverage to older illegal aliens, with any illegal alien over the age of 42 now able to enroll in state-funded care in addition to all minors. State statistics on the expansion program¹⁵⁸ indicate that total annual spending on these covered populations clocks in at just over \$460 million.

As of mid-2022, the state of Oregon has also aggressively expanded state-funded Medicaid coverage to illegal aliens. Oregon's Covered Oregon program funds medical services for illegal alien children under 19, at a conservatively estimated annual cost of around \$15.2 million based on state data,¹⁵⁹ and the state legislature has authorized \$50 million in annual spending on health coverage for illegal alien adults.¹⁶⁰ Several other states like Vermont, Rhode Island, and Maine have established programs that provide health insurance to illegal aliens under 19, although due to the small population size of these states and the difficulty of finding concrete data the costs can be hard to estimate. Nevertheless, these states do incur costs in the millions of dollars annually by operating these programs, which cannot be federally funded.

The coming years are certain to see additional billions in state taxpayer dollars spent on healthcare for illegal aliens, none of which is reimbursable by the federal government. In 2022, multiple states adopted legislation expanding illegal aliens' access to medical benefit programs at taxpayer expense. The largest of these expansions will be in New York State, where full state-funded Medicaid coverage was approved in the 2022 state budget and will be provided to illegal aliens 65 or older once implemented.¹⁶¹ Coverage for this age group, as California and Illinois have proven, is extremely expensive. With Medicaid costing over \$20,000 a year per senior enrollee in New York,¹⁶² the fiscal impact of this expansion will cost billions once fully in place. Other relatively populous states like Colorado, Connecticut, New Jersey, and Washington also have programs set to go into effect in the coming years that will expand coverage to certain categories of illegal aliens.

Additionally, some other services are made available to illegal aliens through Medicaid programs in some states. For example, in New York, Medicaid for Emergency Care is used to provide chemotherapy and radiation to uninsured or underinsured illegal aliens with cancer. In twelve states - including New



York, California, North Carolina, Colorado, Illinois, and Washington State - it can be used to provide outpatient dialysis for illegal aliens. These are medically important procedures, but they impose a heavy burden on taxpayers who are attempting to deal with the increasing costs of providing healthcare for themselves and their dependents. Since detailed information is not made available on the extent to which illegal aliens are using these programs, we cannot affix a cost estimate to them.

Total State Medical Expenditures

Medicaid births	\$937,863,000
Uncompensated Medical Expenses	\$4,501,175,000
Improper Medicaid Payouts	\$4,696,983,000
Medicaid for Citizen Children of Illegal Alien	\$3,162,623,000
Medi-Cal Expansion	\$4,802,094,000
Other State Programs	\$526,098,000
<hr/>	
Total Medical Expenditures	\$18,626,836,000



Administration of Justice

Administration of Justice

Immigration enforcement is a completely federal responsibility — at least, that is the argument of those who oppose state and local efforts to cooperate with the Department of Homeland Security. But the costly truth is that state and local governments face extensive criminal justice expenditures related to the presence of illegal aliens.

These costs may be generally grouped into three categories: (1) Policing; (2) Judicial; and (3) Corrections.

Policing costs refer to the fiscal costs of police operations in response to criminal activity by illegal aliens, especially in municipalities where gang activity and drug trafficking is rampant.

Judicial costs refer to the cost of operating the judicial system for illegal aliens. These costs include providing pre-trial detention, court hearings, and probation of illegal aliens who stand accused of criminal offenses. These costs are significantly higher than average because of the frequent need for bilingual court services programs in order to ensure that due process requirements are met.

Corrections costs incorporate the cost to states and local jurisdictions for the incarceration of illegal alien criminals. The federal government operates a program to help defray the state and local costs of incarceration of illegal aliens, SCAAP (see Part I of this report). However, that program only covers a fraction of the expenses, around 2-5% of the costs reported by jurisdictions who apply for and win

grants.¹⁶³

The National Institute of Corrections provides estimates of the cost per prisoner expended by each state.¹⁶⁴ We use this data and assign costs for each state proportionate to the size of the illegal and deportable alien population reported by the local authorities to the Bureau of Justice Statistics.¹⁶⁵ This method, to varying degrees, understates these expenditures because not all jurisdictions that imprison illegal aliens participate in the SCAAP program, meaning that many states face expenditures proportional to the size of their criminal alien population, but are not reflected in federal compensation calculations. We estimate non-participating jurisdictions' costs by their total illegal alien population and the average state correctional expenditure. Our estimations are listed below as an aggregate for all 50 states:

Policing	\$8,952,291,000
Judicial	\$3,720,668,000
Corrections	\$6,213,721,000

As is reflected in these figures, correctional expenses make up approximately a third of the total cost of illegal aliens in this section, with police expenses comprising nearly half of the total and judicial expenses making up the rest.¹⁶⁶

In FY 2020, the most current and complete year of statistics available, there was a sudden and significant decrease in the number of criminal aliens in custody due to the COVID-19 pandemic.¹⁶⁷ The number of criminal aliens in federal custody fell by 24% from 2019, and similar declines were registered in most states due to COVID-driven lenient release policies in jails and prisons across the country.¹⁶⁸ Nevertheless, an examination of state and local budgets indicate that, as a general rule, staffing costs did not appreciably decrease because of the temporary nature of the disruptions and rising personnel expenses. Costs are anticipated to increase further as the custodial population renormalizes in the coming years.

State Border Security Costs **\$3,135,000,000**

In addition to costs by ICE, CBP, the National Guard, etc., some border states also allocate money to their own law enforcement agencies to combat the public safety and national security threats associated with illegal migration. These costs are only necessary due to the federal government failing to properly secure the border. Some states even fund the deployment of National Guard Troops to support U.S. CBP.

The vast majority of state border security funding efforts come from Texas. For the past two legislative sessions, the state has reinforced its dedication to combat illegal immigration and the drug trade epidemic

until the federal government effectively addresses these issues. Arizona's approximately \$20 million border task force, one of the components of its greatly increased border funding, is also a relatively new endeavor with the same goal.

Listed below are the states that share a border with Mexico, along with the portion of their state budget that is *officially* dedicated to combating illegal immigration:

Texas: \$2.589 billion — The Texas Legislature meets every two years. Spending in the current legislative cycle is approximately \$4.5 billion, reflecting massive increases in illegal border crossings and state efforts to compensate for inadequate federal enforcement.¹⁶⁹ The Texas government has greatly increased spending on public safety in recent years and recently announced a further \$339 million increase in border funding outside the normal legislative appropriations cycle.¹⁷⁰ Meanwhile, the federal government has so far ignored Texas' requests for reimbursement of its funds spent on border security. Therefore, the entirety of these costs is being paid for by state taxpayers.

New Mexico: *Negligible* — Any state funds spent on border security are not specifically tracked or reflected in state or legislative budget records. Thus, while the New Mexico government does not appear to specifically designate any significant amount of state resources directly to border security measures, as its border is short and has difficult terrain. Of course, this doesn't mean that state and local law enforcement officers aren't expending additional effort and resources to combat the impact of illegal immigration.

Arizona: \$546 million — The Arizona government, like Texas, has drastically increased appropriations in recent years in response to a lack of federal action to secure the border. Arizona's H.B. 2317 recently appropriated \$335 million for state-level border wall construction and physical infrastructure to reinforce the border. Total budgetary expenditures on border security, including dedicated law enforcement and facilities construction, are \$546 million.¹⁷¹

California: *Negligible* — The California government does not allocate funding toward border security. On the contrary, the state government spent considerable time and expense litigating the Trump Administration's policies to improve border security. However, California benefits from being the first state in the U.S. to have its international border reinforced by wall. This effort began in the 1990s, when the Federal government constructed, and has since maintained, a wall along the busiest parts of California's border that has been extremely successful in preventing illegal immigration and drug/human trafficking directly into the state. Similar walls across the entire Southern border would quickly pay for themselves, and drastically reduce the need for states to divert tax dollars to fund border security measures.

The entirety of these costs are directly attributable to the failure of the federal government to secure the border and remove incentives that encourage illegal immigration. It's also important to note that the failure of the federal government to secure our borders has also resulted in enormous costs not directly reflected in state and local budgets, especially in small communities located near the border.

Total State Administration of Justice Expenditures

Policing	\$8,952,291,000
Judicial	\$3,720,668,000
Corrections	\$6,213,721,000
State Border	\$3,135,000,000
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Total	\$22,021,680,000
SCAAP funds from Federal Government	-\$210,240,000
<hr/>	
Net Justice Expenditures	\$21,811,440,000



State Welfare Programs

State Welfare Programs

As noted in the Federal portion of this study, illegal aliens (with a few exceptions) are not considered “qualified aliens” pursuant to Title IV of the PRWORA of 1996.¹⁷² Therefore, most are ineligible state and local public benefits which are supplemented by federal funds, as stated in the act. However, the fact that most medical benefits exclude the majority of illegal aliens does not mean they receive no taxpayer-supported services.

Illegal aliens with certain designations, such as TPS status or recipients of parole with a set term of at least one year, are able to lawfully collect certain state benefits, even if they are supplemented by federal funds. Moreover, PRWORA contains a loophole that undermines its own declared intent by allowing states to extend state welfare benefits “through the enactment of a State law ... which affirmatively provides for such eligibility” so long as the funding is entirely sourced at the state level.¹⁷³ This creates a pull factor at the state level and saddles state taxpayers with additional costs.

In addition to the exceptions granted under PRWORA, the U.S.-born children of illegal aliens are eligible for virtually all state programs granted to U.S. citizens, granted they meet other eligibility criteria. There are also many recipients of welfare who obtain it by fraud.

Child Care and Development Fund (CCDF)**\$171,033,000**

In 2022, the state share of CCDF funding was \$1.8 billion. These costs were divided almost equally into state “Maintenance of Effort” programs and state-share matching funds.¹⁷⁴

As laid out in the federal section, FAIR estimates that 9.4 percent of the CCDF caseload consists of the children of illegal aliens. Applying that proportion to the state’s share of CCDF costs results in approximately \$171 million attributable to illegal immigration. For more details on the CCDF program and how illegal aliens utilize the program, see our analysis in the federal section of this report.

Temporary Assistance to Needy Families (TANF)**\$1,432,105,000**

TANF programs vary widely by state, which presents difficulties in estimating the amount of TANF funding attributable to the presence of illegal aliens and their citizen children who qualify for the program. As previously indicated in the federal portion of this report, however, we estimate that 9.4 percent of the TANF caseload is made up of the children of illegal aliens.

Overall state spending on TANF programs amounted to about \$15.2 billion in FY 2021.¹⁷⁵ This means that approximately \$1.43 billion of those funds are the result of illegal immigration.

Meals in Schools**\$376,556,000**

The federal free and reduced price meal program for K-12 students has a state matching requirement. State expenditures are much lower than they are at the federal level. To receive federal funding for subsidized school lunch programs, states must contribute matching funds equal to 30 percent of the federal funds they received in 1980. Because the matching funds requirements are frozen at 1980 levels, state required contributions are often very small relative to the federal reimbursement level.



The 1980 total cost to the federal government was approximately \$3.2 billion,¹⁷⁶ meaning that states are required to contribute at least \$960 million. As noted earlier, FAIR estimates that almost 8.3 percent of participants in this program are illegal aliens or the children of illegal aliens, meaning the total current state burden in this program would be a minimum of \$79.35 million.

The USDA has indicated in the past that federal funds and required matching state funds fall about 9 percent short of the full cost of this program, leaving the rest to local school districts.¹⁷⁷ The budgeted cost of this program was \$19.7 billion during the pre-pandemic year of 2019 (this combines the federal expenditures of \$18.8 billion and the \$960 million in required state contributions), implying a shortfall of \$1.77 billion. The illegal alien-attributable share of this is \$147 million. With the budgeted state share attributable to illegal immigration, the total comes out to slightly over \$226 million.

Moreover, to fully account for the costs of providing free or low-price school meals to the children of illegal aliens (both foreign and U.S.-born) we must consider recent temporary funding measures and account for more permanent spending which began during the COVID-19 pandemic. As mentioned in the federal section, from 2020 to 2022 federal spending was significantly, but temporarily, increased to allow all pupils to receive free school lunches and breakfasts. Once these benefits expired as of the 2022-2023 school year, some states decided to either extend free school meals using their own funds (e.g., Massachusetts, Nevada, Vermont) or permanently implement state-funded universal free school meals (California, Colorado, Maine).¹⁷⁸ California committed to allocating \$650 million annually to this program; Colorado's program costs \$100 million per year (and is being funded by limiting state income tax deductions for households making more than \$300,000 a year); and Maine's program is estimated to cost \$34 million annually.¹⁷⁹ FAIR estimates that the additional costs of these programs attributable to the children of illegal aliens amount to \$150 million annually.¹⁸⁰ In total, the state-level burden of illegal aliens on school meal funds amounts to \$376.6 million.

Supplemental Security Income (SSI) and other Cash-Related Welfare Programs

In addition to federal funding and federally-administered state supplements, most states also administer their own supplemental SSI payments. Delaware, the District of Columbia, Iowa, Pennsylvania, and Rhode Island pay out both Social-Security-Administration-administered state supplements as well as their own.¹⁸¹ Because these state-administered programs vary from state to state, and many of them do not release ample budgetary information, FAIR does not endeavor to estimate what proportion of these funds are attributable to illegal immigration.

Total State Welfare Expenditures

Child Care and Development Fund (CCDF)	\$171,033,000
Temporary Assistance to Needy Families (TANF)	\$1,432,105,000
Meals in Schools	\$376,556,000
Total Welfare Expenditures	\$1,979,694,000



Total State Expenditures

Total State Expenditures

The total fiscal burden of illegal immigration on state taxpayers has now reached a staggering \$115.6 billion, which is 30 percent more than it was in 2017. The primary reasons for this, aside from a rapid increase in the illegal alien population, are that a number of states have opted to expand access to state welfare, education, and medical programs to illegal aliens. These expansions have led to taxpayers paying tens of billions in additional funding to cover these costs.

Concerningly, as will be seen in the following section, the taxes paid by illegal aliens to state and local governments fall far short of making up for the numerous additional state-funded benefits they are receiving. Moreover, with many states set to begin offering even more benefits to illegal aliens, as mentioned previously, these costs are only expected to increase even further.

Total State and Local Expenditures

Total Education Expenditures	\$73,190,760,000
Total Medical Expenditures	\$21,811,439,000
Total Administration of Justice Costs	\$18,626,836,000
Total Welfare Expenditure	\$1,979,694,000
State and Local Total	\$115,608,729,000